

December 17, 1961

Brig. General Andrew J. Goodpaster
Staff Secretary
The White House
Washington, D. C.

Dear Andy:

Attached is a copy of the memorandum which I mentioned to you over the telephone yesterday. It was prepared as an intelligence working paper for the meeting yesterday evening of State-Defense-JCS-CIA representatives.

This memorandum was generally accepted by the participants as a reasonable statement of the present situation in Laos, based on available intelligence, and they agreed that it might be useful to put it in your hands.

Faithfully yours,

(Signed) ALLEN W. DULLES

Allen W. Dulles
Director

Enclosures

AWD:at

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December 17, 1960

MEMORANDUM:

Attached is a copy of the special Watch Committee report prepared last evening with regard to the situation in Laos.

We concur in the conclusions of this report and believe that we must expect strong Communist reaction, in some form, to the defeat that the Communist and Pathet Lao forces have so far suffered in the battle for Vientiane.

We are inclined to feel that the initial reaction will be a covert or semi covert, strengthening of the Pathet Lao--Kong Le forces in the vicinity of Vientiane and a build-up of the Pathet Lao forces in other areas of Laos. This may well include, as one unverified report already received indicates, air dropping of Communist units, which may include Vietminh forces, to supplement the Pathet Lao. A more massive Communist intervention is not to be excluded in our future planning.

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Kong Le's forces, according to reports, are retreating north of Vientiane in reasonably good order, and while they have lost human and material, there is evidence that the bulk of these forces remains intact.

These forces may (1) regroup for an early retaliatory attack on Vientiane, if they estimate that the Phoumi forces are exhausted, or ill-deployed to deal with a counter attack. (2) They may continue to move north towards Luang Prabang with a view to seizing the royal capital of the country and possibly the person of the King. (Steps are being taken to assure that the King has the facility to quickly leave the royal capital if it is seriously threatened). (3) They might possibly move north and east of their present positions to Xiang Khouang.

It seems most likely that the Soviet would not have taken the risks incident to their massive air supply of the Pathet Lao--Kong Le forces in Vientiane unless they had contemplated some follow-up operations. (Some 50 IL-14 flights to Vientiane were involved, of which approximately one-third apparently delivered heavy artillery, ammunition, etc., and the balance mostly POL).

We have further information indicating that four additional IL-14s are being sent from the Soviet Far East to Hanoi. Also there are reports indicating an increased Chinese Communist airlift to Nanning, which is the nearest Chicom airport to the North Vietnam frontier and on the rail line from Mainland China to Hanoi.

There are also reports regarding shuttle air flights from Hanoi to Dien Bien Phu (which is the nearest air head in Northern Vietnam to the Lao border) and to Sam Neua.

All of the foregoing reinforces our belief that the USSR, Peiping and Hanoi are preparing to provide whatever aid they feel is required to prevent the establishment of an effective non-Communist regime in Laos. They have the capability to channel such aid through Sam Neua which is under effective Pathet Lao control. Such intervention could include initially a greatly increased Communist airlift and a much larger movement of technicians and volunteers.

The forces under General Phoumi have fought well in the battle for Vientiane. Phoumi himself, however, has tended to be over optimistic with regard to the extent and significance of his current victory at Vientiane and is certainly ill informed as to the disposition and intention of the enemy.

While measures are being taken to carry out reconnaissance in the immediate Vientiane area, the forces under Phoumi now have only very limited reconnaissance potential, no combat aircraft of any nature, and only a limited number of light transport and liaison planes, supplemented by similar type planes under contract from CAT, which have mixed civilian American and Chinese crews.

The Boua Oum-Phoumi government will require extensive outside military and financial aid merely to survive, let alone meet a vigorous Communist counter attack. Even with such aid, large parts of the countryside will probably remain outside the control of the Vientiane government. That government might also lose a number of key towns to the Pathet Lao such as, for example, Xieng Khouang, Phong Saly, and even Luang Prabang.

If the Phoumi forces firmly secure their position at Vientiane, a Communist-dominated government will probably be set up at Sam Neua. The Communists will try to give this government a national front flavor. Their choice to head it would almost certainly be Souvanna Phouma, in the event they could persuade him to accept it. The Bloc countries would promptly recognize and support such a Sam Neua government.

* * * *

We conclude that there is grave danger of a most serious threat to the very existence of the Ban Oum-Pheum government over the coming days and weeks and that our policy and planning, in addition to the above factors, should take into account the very favorable geographic position of the Communist forces with respect to Laos, the ease with which massive guerrilla operations could be mounted by the Chinese and North Vietnamese Communists, and the extent to which Moscow, Peking and Hanoi are committed to preventing Laos from passing into the control of the anti-Communists.

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